

WORKFORCE OBSERVATIONS

FOR MILWAUKEE COUNTY/WOW COUNTIES

JUNE 2003



May Shows a few Signs of Seasonality

Milwaukee County's unemployment rate was 6.8 percent in May. This rate was unchanged from April and was one-tenth of a percentage point higher than the rate in May 2002. May's labor force was virtually unchanged in both the number of employed and unemployed over the month, which is much more flat than usual in Milwaukee County. The lack of change in monthly rate is not out of the realm, but the activity (the numbers of employed and/or unemployed) in the labor force is usually a bit more active.

Washington County's unemployment rate dropped six-tenths of a percentage point to 4.9 percent in May, evidenced by the fact that there are 450 fewer unemployed residents in the last month. The annual perspective shows this month's rate is six-tenths higher than that of May 2002. Washington County shows the largest annual unemployment rate increase of the four metropolitan counties.

Ozaukee County's unemployment rate was 3.9 percent in May and was the lowest county rate in the metro area as per usual. This is the highest rate for the month of May since 1992 when a 4.0 percent clip was measured. May's rate is up slightly from this time last year by one-tenth of a point.

Waukesha County's unemployment rate, 4.1 percent, dipped monthly and annually by three-tenths and one-tenth of a percentage point, respectively. The labor force shows 800 more employed and 240 fewer unemployed than in May of 2002.

The **Milwaukee-Waukesha MSA** unemployment rate (not seasonally adjusted) stood at 5.8 percent in May, lower than April's mark by one-tenth of a point and higher, annually, by one-tenth. One could summarize this area's labor force as one that is adhering to seasonal expectations from a monthly perspective, but is nonetheless feeling the brunt of a demand-dampened economy that has been expressed with continuing higher rates of unemployment. The first five months of 2003 have generally shown moderation in the unemployment rate compared to 2002, which is optimistic, but there is no denying that this local area contains a sluggish labor market that is reminiscent

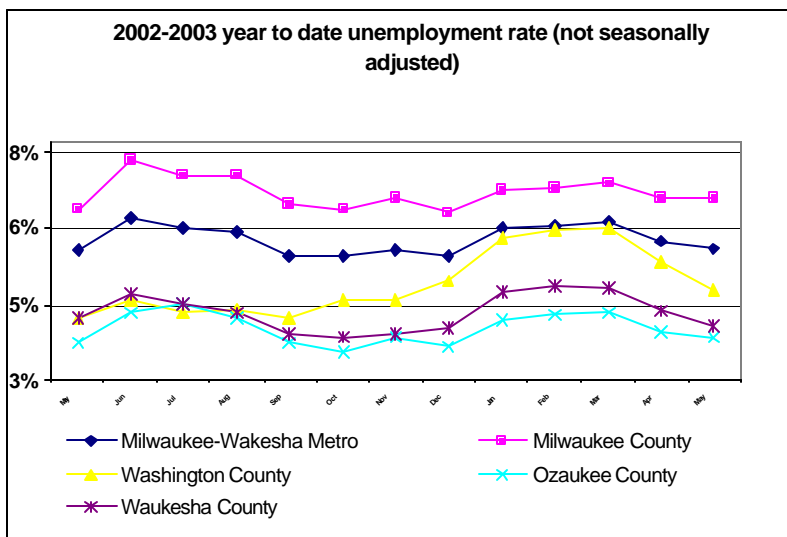
of the mid-1980's, which was in recovery of an earlier recession.

Industry Employment

The **Milwaukee-Waukesha MSA** showed 3,600 more jobs in May than the previous month. Most sectors showed at least some monthly job growth or remained unchanged. Manufacturing employment increased by 1,000 jobs in May for the first May increase in this sector's employment since 1998. The majority of the manufacturing employment increase was seen in non-durable goods production (+700 jobs) and the remaining in durable production. Leisure and hospitality employment showed the largest monthly increase as would be expected in May as businesses with strong ties to the tourism arena are gearing up for the summer. Construction employment also showed typical month of May growth adding 1,600 employees as the prime building and renovation months begin in earnest. The sectors that showed a monthly decrease in employment were education and health services, retail trade and government employment. The employment dips in government employment and in education and health services are related to the end of the academic year as school districts, public universities and private colleges break for the summer.

The annual industry picture is not as bright for the Milwaukee metro area. Total nonfarm wage and salary employment shows an annual net deficit of 8,800 jobs. The largest loss of sector employment was in professional and business services employment (-4,800 jobs) composed of decreases in personnel supply agency employment and those companies

engaged in professional, scientific and technical services. Retail trade employment shows a decline of 2,200 jobs annually. This is equivalent to about six percent of this industry's employment and a good portion of this loss is tied to general merchandise stores. Annual employment strides, on a good note, have been in financial activities and information gaining a combined 3,000 jobs annually for growth of approximately four percent. The goods producing industries, construction and manufacturing, have annual losses of 600 and 3,600 jobs, respectively.



May 2003	Wisconsin	Milwaukee-Waukesha MSA	Milwaukee County/WDA	Washington County	Ozaukee County	Waukesha County	W-O-W WDA
Civilian Labor Force*	3,077,069	818,077	484,771	69,478	48,598	215,231	333,307
Persons Employed	2,921,216	770,840	451,752	66,083	46,699	206,306	319,088
Persons Unemployed	155,853	47,237	33,019	3,395	1,899	8,925	14,219
Unemployment Rate	5.1%	5.8%	6.8%	4.9%	3.9%	4.1%	4.3%
Total jobs of all non-farm industries** (Thousands)	2,799.5	835.9	530.8	47.7	37.7	219.7	305.1
Goods Producing Jobs	639.7	174.0	83.7	16.5	11.9	62.0	90.3
Service Producing Jobs	2,159.8	661.9	447.1	31.2	25.8	157.7	214.3
Construction, Mining and Natural Resources	123.6	33.8	13.2	3.0	1.6	16.0	19.6
All Manufacturing	516.1	140.2	70.4	13.5	10.3	46.0	69.3
Total Trade	432.3	121.5	66.6	7.3	5.4	42.1	54.8
Wholesale Trade	116.6	40.1	20.2	2.0	1.4	16.4	19.8
Retail Trade	315.7	81.4	46.4	5.3	4.0	25.8	35.1
Transportation, Warehousing and Utilities	106.4	29.9	22.3	1.6	0.4	5.6	7.6
Financial Activities	156.2	59.7	41.3	2.0	2.1	14.3	18.3
Education and Health Services	362.3	128.4	94.3	5.3	4.4	24.4	34.2
Leisure & Hospitality	245.1	64.5	41.4	4.5	3.2	15.4	22.3
Information, Professional and Business Services, Other Services	432.7	162.5	113.2	5.4	5.9	38.0	49.0
Information	50.9	20.0	13.7	0.5	0.3	5.5	6.2
Professional and Business Services	243.3	100.7	72.6	2.2	3.7	22.1	27.9
Other Services	138.5	41.8	26.8	2.6	1.9	10.5	15.0
All Government	424.8	95.4	68.0	5.2	4.4	17.8	28.0
Change from April 2003							
Civilian Labor Force*	940	-1,290	-10	-460	-60	-760	-1,270
Persons Employed	23,190	-120	-70	-10	-10	-30	-50
Persons Unemployed	-22,250	-1,170	60	-450	-50	-730	-1,230
Unemployment Rate	-0.7%	-0.1%	0.0%	-0.6%	-0.1%	-0.3%	-0.4%
Total jobs of all non-farm industries** (Thousands)	32.1	3.6	1.6	0.3	0.2	1.5	1.9
Goods Producing Jobs	12.2	2.6	1.1	0.2	0.1	1.1	1.5
Service Producing Jobs	19.9	1.0	0.5	0.1	0.0	0.4	0.5
Construction, Mining and Natural Resources	10.9	1.6	0.6	0.1	0.1	0.8	1.0
All Manufacturing	1.3	1.0	0.5	0.1	0.1	0.3	0.5
Total Trade	6.6	0.0	0.0	0.0	0.0	0.0	0.0
Wholesale Trade	1.7	0.1	0.1	0.0	0.0	0.0	0.0
Retail Trade	4.9	-0.1	-0.1	0.0	0.0	0.0	0.0
Transportation, Warehousing and Utilities	1.8	0.0	0.0	0.0	0.0	0.0	0.0
Financial Activities	1.5	0.1	0.1	0.0	0.0	0.0	0.0
Education and Health Services	-0.7	-0.4	-0.3	0.0	0.0	-0.1	-0.1
Leisure & Hospitality	12.3	2.5	1.6	0.2	0.1	0.6	0.9
Information, Professional and Business Services, Other Services	1.8	1.0	0.7	0.0	0.0	0.2	0.3
Information	0.1	0.3	0.2	0.0	0.0	0.1	0.1
Professional and Business Services	2.8	0.7	0.5	0.0	0.0	0.2	0.2
Other Services	-1.1	0.0	0.0	0.0	0.0	0.0	0.0
All Government	-3.4	-2.2	-1.6	-0.1	-0.1	-0.4	-0.6
Change from May 2002							
Civilian Labor Force*	65,920	4,210	2,730	690	230	560	1,480
Persons Employed	59,950	2,970	1,740	260	180	800	1,230
Persons Unemployed	5,980	1,240	990	430	50	-240	250
Unemployment Rate	0.1%	0.1%	0.2%	0.6%	0.1%	-0.1%	0.1%
Total jobs of all non-farm industries** (Thousands)	-0.1	-8.8	-4.9	-0.6	-0.5	-2.9	-4.0
Goods Producing Jobs	-18.1	-4.2	-2.1	-0.4	-0.3	-1.5	-2.2
Service Producing Jobs	18.0	-4.6	-2.9	-0.2	-0.2	-1.4	-1.8
Construction, Mining and Natural Resources	-7.6	-0.6	-0.2	-0.1	0.0	-0.3	-0.4
All Manufacturing	-10.4	-3.6	-1.8	-0.3	-0.3	-1.2	-1.8
Total Trade	2.6	-3.0	-1.7	-0.2	-0.1	-1.1	-1.4
Wholesale Trade	1.9	-0.8	-0.4	0.0	0.0	-0.3	-0.4
Retail Trade	0.8	-2.2	-1.3	-0.1	-0.1	-0.7	-1.0
Transportation, Warehousing and Utilities	0.0	-0.8	-0.6	0.0	0.0	-0.2	-0.2
Financial Activities	3.1	2.4	1.7	0.1	0.1	0.6	0.7
Education and Health Services	6.1	1.8	1.3	0.1	0.1	0.3	0.5
Leisure & Hospitality	-0.7	-0.9	-0.6	-0.1	0.0	-0.2	-0.3
Information, Professional and Business Services, Other Services	8.1	-3.5	-2.6	-0.1	-0.1	-0.7	-0.9
Information	-0.1	0.6	0.4	0.0	0.0	0.2	0.2
Professional and Business Services	1.8	-4.8	-3.4	-0.1	-0.2	-1.0	-1.3
Other Services	6.4	0.7	0.4	0.0	0.0	0.2	0.2
All Government	-1.3	-0.6	-0.4	0.0	0.0	-0.1	-0.2

* Labor force figures are **not** seasonally adjusted and are commonly revised. Figures from "place of residence" survey from the Bureau of Labor Statistics' Local Area Unemployment Statistics program. **Figures based upon "place of employment" survey from the BLS, Non-Farm Wage and Salary estimates.

Month and year ago change figures are rounded and may not sum to total

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